

1 Karen Gold (State Bar No. 258360)
kgold@blackstonepc.com
2 Sara Pezeshkpour (State Bar No. 260240)
spezeshkpour@blackstonepc.com
3 Marissa Mayhood (State Bar No. 334376)
4 mmayhood@blackstonepc.com
BLACKSTONE LAW, APC
5 8383 Wilshire Boulevard, Suite 745
Beverly Hills, California 90211
6 Tel: (310) 622-4278/ Fax: (855) 786-6356

7 *Attorneys for Plaintiff TRAVIS SANFORD, individually,*
8 *and on behalf of other similarly situated employees and*
9 *aggrieved employees pursuant to the California Private*
Attorneys General Act

10 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
11 **FOR THE COUNTY OF SANTA CRUZ**

12 TRAVIS SANFORD, individually, and on
13 behalf of other similarly situated employees and
14 aggrieved employees pursuant to the California
Private Attorneys General Act,

15 Plaintiff,

16 vs.

17 SANTA CRUZ SEASIDE COMPANY, a
18 California corporation; and DOES 1 through 25,
19 inclusive,

20 Defendants.

Case No. 23CV01762

Honorable Syda K. Cogliati
Department 5

**NOTICE OF MOTION AND MOTION FOR
FINAL APPROVAL OF CLASS ACTION
AND PAGA SETTLEMENT, ATTORNEYS'
FEES AND COSTS, ENHANCEMENT
PAYMENT, AND SETTLEMENT
ADMINISTRATION COSTS;
MEMORANDUM OF POINTS AND
AUTHORITIES IN SUPPORT THEREOF**

Date: January 30, 2025
Time: 8:30 a.m.
Dept.: 5

Complaint Filed: July 25, 2023
FAC Filed: August 5, 2024
Trial Date: Not Set

1 **TO ALL PARTIES AND THEIR ATTORNEYS OF RECORD:**

2 **PLEASE TAKE NOTICE THAT on January 30, 2025, at 8:30 a.m.** in Department 5 of the
3 above-captioned Court, located at 701 Ocean Street, Santa Cruz, California 95060, plaintiff Travis
4 Sanford (“Plaintiff”) will and hereby does move the Court for an Order granting final approval of the
5 class action and PAGA settlement between Plaintiff and Defendant Santa Cruz Seaside Company
6 (“Defendant”).

7 This Motion is brought pursuant to California Code of Civil Procedure section 382, California
8 Labor Code section 2699(l), and Rules 3.769 and 3.1113(e) of the California Rules of Court, all of
9 which together require approval by the Court of a class action and/or PAGA settlement, and further
10 permit the Court to extend the page limitations for memoranda upon good cause shown, which exists
11 here so as to permit Plaintiff to address all requirements of this Court for obtaining approval of the
12 pending class and PAGA settlement.

13 By way of this Motion, Plaintiff requests that the Court enter an Order:

- 14 1. Granting final approval of the class action and PAGA settlement;
- 15 2. Approving the settlement as fair, adequate, and reasonable, based upon the terms as set
16 forth in the previously approved Joint Stipulation of Class Action and PAGA Settlement (“Settlement
17 Agreement” or “Settlement”), including the non-revisionary payment by Defendant of the Gross
18 Settlement Amount of \$5,900,000.00.
- 19 3. Approving Class Counsel’s request for allocation of one-third (1/3) of the Gross
20 Settlement Amount to attorneys’ fees (totaling \$1,966,666.67), plus reimbursement of actual costs and
21 expenses in the amount of \$21,653.96;
- 22 4. Approving allocation of an Enhancement Payment to Plaintiff in the amount of
23 \$7,500.00 in recognition of his services to the Class Members and Aggrieved Employees;
- 24 5. Approving an allocation of settlement administration costs to ILYM Group, Inc. in the
25 amount of \$35,000.00; and
- 26 8. Approving an allocation of \$300,000 to Plaintiff’s PAGA claim, which includes an
27 allocation of \$225,000.00 (75%) to be paid to the LWDA as civil penalties under PAGA, and the
28 remaining \$75,000 to the PAGA Employees, as required under PAGA.

This Motion is based on this Notice, the attached Memorandum of Points and Authorities; the Declarations of: (i) the Class Representative (Travis Sanford), (ii) Class Counsel (Jonathan M. Genish and Karen I. Gold), and (iii) the Settlement Administrator (Nicole Bench on behalf of ILYM Group), as well as the pleadings and other records on file with the Court in this matter, and such evidence or oral argument as may be presented at the hearing on this Motion.

Respectfully submitted,

Dated: January 7, 2025

BLACKSTONE LAW, APC

By: Karen Gold

Karen I. Gold
Sara Pezeshkpour
Marissa A. Mayhood

Attorneys for Plaintiff TRAVIS SANFORD,
individually, and on behalf of other similarly
situated employees and aggrieved employees
pursuant to the California Private Attorneys
General Act

TABLE OF CONTENTS

I.	INTRODUCTION.....	1
II.	RELEVANT BACKGROUND INFORMATION	2
A.	Factual Background.....	2
B.	Procedural Background	2
C.	Summary of Key Settlement Terms	3
D.	The Settlement Administration Process.....	6
E.	Compliance With Procedural Requirements of PAGA.....	8
III.	THIS COURT SHOULD ISSUE FINAL APPROVAL OF THE SETTLEMENT	8
A.	The Legal Standard for Final Approval	8
B.	This Court Previously Determined the Settlement Is Just, Fair and Reasonable	8
C.	The Settlement Is the Result of Arms-Length Negotiations.....	9
D.	The Parties Undertook Extensive Informal Discovery	9
E.	Settlement Negotiations Were Undertaken by Experienced Counsel	10
F.	The Class Received the Best Practicable Notice and No Objections Were Received	10
VI.	THE REQUESTED ATTORNEYS' FEES ARE REASONABLE AND SHOULD BE APPROVED	11
A.	The “Common Fund Doctrine” Is the Preferred Method for Determining Fees	11
B.	A One-Third (1/3) Common Fund Fee Award is Proper Here.....	13
1.	The Result Obtained for The Class	14
2.	Counsel's Experience, Skill and Effort	14
3.	The Complexity of The Issues	14
4.	The Risks of Non-Payment Assumed by Counsel	15
5.	The Reaction of The Class.....	15
C.	The Lodestar Cross-Check Confirms that the Requested Fees are Reasonable	15
VII.	PLAINTIFF’S COST REQUEST IS REASONABLE	18
VIII.	THE REQUESTED ENHANCEMENT PAYMENT IS REASONABLE	18
IX.	REQUESTED SETTLEMENT ADMINISTRATION COSTS ARE REASONABLE.	20
X.	THE PROPOSED LWDA ALLOCATION IS REASONABLE	20
XI.	CONCLUSION.....	21

TABLE OF AUTHORITIES

Cases

<i>Apple Computer, Inc. v. Superior Court</i> , 126 Cal.App.4 th 1253, 1270 (2005)	15
<i>Bank of America v. Cory</i> , 164 Cal.App.3d 66 (1985)	12
<i>Boeing Co. v. Van Gernert</i> , 444 U.S. 472 (1980)	11
<i>Buccellato v. At&T Operations, Inc.</i> , (N.D.Cal. June 30, 2011, No. C10-00463-LHK)	18
<i>Cartt v. Superior Court</i> , 50 Cal.App.3d 960 (1975)	10
<i>Ceja-Corona v. CVS Pharm., Inc.</i> (E.D. Cal. Jan. 14, 2015)	20
<i>Chavez v. Netflix, Inc.</i> , 162 Cal.App.4 th 43, 66, fn. 11 (2008)	13, 15
<i>Chu v. Wells Fargo Invs., LLC</i> (N.D. Cal. Feb. 16, 2011)	21
<i>City and County of San Francisco v. Sweet</i> , 12 Cal.4 th 105 (1995)	12
<i>Clark v. Am. Residential Servs. LLC</i> , 175 Cal. App. 4 th 785 (2009)	9
<i>Clark v. American Residential Services LLC</i> , 175 Cal.App.4 th 785 (2009)	19
<i>Consumer Priv. Cases</i> , 175 Cal. App. 4 th 545, 557–58 (2009)	15
<i>Cook v. Niedert</i> , 142 F.3d 1004, 1016 (7 th Cir. 1998)	18
<i>Craft v. Cnty. of San Bernardino</i> , 624 F.Supp.2d 1113, 1116–17 (S.D.Cal.2008)	14
<i>D’Amico v. Board of Medical Examiners</i> , 11 Cal.3d 1(1974)	11
<i>Dunk v. Ford Motor Company</i> , 48 Cal.App.4 th 1794 (1996)	1, 8
<i>Eisen v. Carlisle & Jacquelin</i> , 417 U.S. 156 (1974)	10
<i>Franco v. Ruiz Food Prods.</i> (E.D. Cal. Nov. 27, 2012) 2012 U.S. Dist. LEXIS 169057	20
<i>Garcia v. Gordon Trucking, Inc.</i> (E.D. Cal. Oct. 31, 2012) 2012 U.S. Dist. LEXIS 1600525	21
<i>Glendale City Employees ‘ Association v. City of Glendale</i> , 15 Cal.3d 328, 341 fn.19 (1975)	11
<i>In re Activision Sec. Litig.</i> (N.D. Cal 1989) 723 F. Supp. 1373, 1375.)	13
<i>In re Pac. Enters. Sec. Litig.</i> (9 th Cir. 1995) 47 F.3d 373, 378-79	13
<i>Ketchum v. Moses</i> , 24 Cal.4 th 1122 (2001)	17
<i>Knoff v. City and County of San Francisco</i> , 1 Cal.App.3d 184 (1969)	12
<i>Kullar v. Foot Locker Retail, Inc.</i> , 168 Cal.App.4 th 116 (2008)	1
<i>Lealao v. Beneficial California, Inc.</i> , 82 Cal.App.4 th 19 (2000)	1, 13

1	<i>Magadia v. Wal-Mart Assocs.</i> (N.D. Cal. May 31, 2019, No. 17-CV-00062-LHK).....	20
2	<i>Mills v. Electric Auto-Lite Co.</i> , 396 U.S. 375 (1970).....	11
3	<i>Mullane v. Central Hanover Bank & Garretson Company</i> , 339 U.S. 306 (1950).....	10
4	<i>Munoz v. BCI Coca-Cola Bottling Co. of Los Angeles</i> , 186 Cal.App.4 th 399 (2010).....	18
5	<i>NCAA Ath. Grant-In-Aid Cap Antitrust Litig.</i> , (N.D.Cal. Dec. 6, 2017, No. 4:14-md-2541-CW).....	18
6	<i>Officers for Justice v. Civil Serv. Comm’n</i> (9th Cir. 1982) 688 F.2d 615, 625.)	8
7	<i>Parker v. Los Angeles</i> , 44 Cal.App.3d 556 (1974)	12
8	<i>Philadelphia Housing Authority v. American Radiator & Standard Sanitary Corp.</i> (E.D. Pa. 1970)	
9	323 F. Supp. 364, 378.	10
10	<i>Phillips Petroleum Co. v. Shutts</i> , 472 U.S. 797 (1985).....	10
11	<i>Quinn v. State of California</i> , 15 Cal.3d 162 (1995).....	11, 12
12	<i>Rider v. County of San Diego</i> , 1 I Cal.App.4 th 1410 (1992)	12
13	<i>Serrano v. Priest</i> (“ <i>Serrano III</i> ”), 20 Cal.3d 25 (1977)	11, 12
14	<i>Serrano v. Priest</i> , 32 Cal .3d 621(1982)	16
15	<i>Spann v. J.C. Penney Corp.</i> , 211 F. Supp. 3d 1244, 1263 (C.D. Cal. 2016)	13
16	<i>Staton v. Boeing Co.</i> , 327 F.3d 938 (9th Cir. 2003).	19
17	<i>Steiner v. Am. Broad. Co.</i> , 248 Fed. Appx. 780 (9th Cir. 2007).....	18
18	<i>Thio v. Genji, LLC</i> , 14 F. Supp. 3d 1324 (N.D. Cal. 2014)	20
19	<i>Thornton v. East Texas Motor Freight</i> , 497 F.2d 416, 420 (6 th Cir. 1974).....	18
20	<i>Uschold v. NSMG Shared Servs., LLC</i> , (N.D.Cal. June 5, 2020, No. 18-cv-01039-JSC)	18
21	<i>Webb v. Board of Educ.</i> , 471 U.S. 234 (1985).....	16
22	<i>Wershba v. Apple Computer, Inc.</i> , 91 Cal.App.4 th 224 (2001)	8
23	<i>Wininger v. SI Mgmt. L.P.</i> (9th Cir. 2002) 301 F.3d 1115.)	13
24	Statutes	
25	California Civil Code § 1781	10
26	Labor Code Section 2699(1)	20
27	Other Authorities	
28	California Practice Guide: Civil Trials and Evidence (The Rutter Group) at§ 17:172.3	11

1 *Newberg on Class Actions* 4th (4th ed. 2002) § 14.6..... 16

2 **Rules**

3 Cal. Rules of Court, rule 3.769(g)..... 8

4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

1 MEMORANDUM OF POINTS AND AUTHORITIES

2 **I. INTRODUCTION**

3 Plaintiff Travis Sanford (“Plaintiff” or “Class Representative”) seeks final approval of the
4 pending Joint Stipulation of Class Action and PAGA Settlement (“Settlement Agreement” or
5 “Settlement”), which requires Defendant Santa Cruz Seaside Company (“Defendant”) to pay a total
6 non-revisionary amount of Five Million Nine Hundred Thousand Dollars (\$5,900,000) to resolve all
7 pending class and PAGA claims against it. (Genish Decl., ¶ 13, Ex. 1).

8 As already determined by this Court at the preliminary approval stage, the proposed Settlement
9 is fair, adequate, and reasonable. (Genish Decl., Exs. 1 & 2; *See also, Kullar v. Foot Locker Retail,*
10 *Inc.* (2008) 168 Cal.App.4th 116, 129-30; *Dunk v. Ford Motor Company* (1996) 48 Cal.App.4th 1794,
11 1801). The response of the Class to the Settlement confirms that final settlement approval is
12 appropriate. ***There have been no objections and only three requests for exclusion from the Class***
13 ***Settlement.*** (Bench Decl., ¶¶ 11-12). Because the Settlement achieves outstanding results for the
14 Settlement Class Members, the PAGA Employees, and the State of California, Plaintiff respectfully
15 requests that the Court approve the Settlement as fair, adequate, and reasonable, and enter judgment
16 in accordance with its terms.

17 Plaintiff further seeks Court approval of an attorneys’ fee award of one-third (1/3) of the Gross
18 Settlement Amount, equaling \$1,966,666.67, plus reimbursement of actual litigation costs and
19 expenses in the amount of \$21,653.96 (together, “Attorneys’ Fees and Costs”). As set forth in detail
20 below, Class Counsel’s request for such an award of attorneys’ fees and costs is reasonable and
21 appropriate in light of, *inter alia*: (i) the extensive work performed by Class Counsel to investigate the
22 claims, research the legal theories, and prepare for mediation in this matter in a manner akin to
23 preparing for trial; (ii) the contingent nature of the fee arrangement, and (iii) the exceptional and timely
24 results achieved by Plaintiff and Class Counsel without the extensive delays plaguing many class
25 action lawsuits. (*See Lealao v. Beneficial California, Inc.* (2000) 82 Cal.App.4th 19). ***Critically, the***
26 ***percentage and amount of fees sought by Class Counsel was disclosed to class members in the Class***
27 ***Notice, and no class members objected to it.*** (Bench Decl., ¶ 7).

1 Plaintiff also requests the Court confirm a reasonable payment of \$7,500 to Plaintiff
2 (“Enhancement Payment”) for his services on behalf of the Class and his comprehensive personal
3 release of all claims against Defendant.

4 Finally, Plaintiff requests the Court approve the payment of \$35,000 in Settlement
5 Administration Costs to ILYM Group, Inc. (the “Settlement Administrator”) as compensation for
6 administration services it has provided and will continue to provide in connection with the Settlement.
7 (*See* Bench Decl., *generally*).¹

8 **II. RELEVANT BACKGROUND INFORMATION**

9 **A. Factual Background**

10 Defendant owns and operates an amusement park and hotel in Santa Cruz, California. Plaintiff
11 was employed by Defendant as an hourly-paid, non-exempt seasonal Food Service Staff from August
12 2016 to November 2021, in Santa Cruz, California. (Sanford Decl., ¶ 2).

13 **B. Procedural Background**

14 On July 25, 2023, Plaintiff filed a Class Action Complaint for Damages in the above-captioned
15 action, thereby commencing a putative class action against Defendant. (Genish Decl., ¶ 9).

16 On May 13, 2024, Plaintiff and Defendant (together, the “Parties”) participated in mediation
17 conducted by Louis Marlin, Esq. (“Mediator”), a neutral and well-respected mediator with extensive
18 experience in complex wage and hour matters. (*Id.*, ¶ 10). Following a full day of mediation, the
19 Mediator issued a mediator’s proposal, which the parties subsequently accepted, thus allowing the
20 Parties to reach an agreement to resolve this dispute on a class and PAGA-wide basis. (*Id.*, ¶ 10).

21 On July 15, 2024, Plaintiff provided written notice to the California Labor and Workforce
22 Development Agency (“LWDA”) and to Defendant of the specific provisions of the California Labor
23 Code alleged to have been violated by Defendant (“PAGA Letter”). (*Id.*, ¶ 11).

24 On August 5, 2024, Plaintiff filed a First Amended Class Action Complaint for Damages and
25 Enforcement Action Under the Private Attorneys General Act, California Labor Code §§ 2698, *et seq.*
26

27 ¹ In an effort to efficiently present the Court with the necessary information to rule on the pending
28 Motion, Plaintiff also respectfully moves for an order permitting the filing of this single consolidated
memorandum, although it exceeds the page limit established by California Rules of Court, Rule
3.1113(d), instead of filing several separate motions.

1 (“Operative Complaint”) in the Action, which added a cause of action under PAGA. (*Id.*, ¶ 12). The
2 Operative Complaint alleges nine (9) causes of action for violations of the California Labor Code for
3 failure to pay overtime wages, failure to pay minimum wages, failure to provide compliant meal
4 periods and premium payments in lieu thereof, failure to provide compliant rest periods and premiums
5 payments in lieu thereof, failure to provide accurate wage statements, failure to timely pay wages upon
6 termination, and failure to reimburse necessary business expenses, for violations of California
7 Business & Professions Code Section 17200, *et seq.* based on the aforementioned California Labor
8 Code violations, and for civil penalties under PAGA based on the aforementioned California Labor
9 Code violations. (*Id.*, ¶ 12).

10 On August 16, 2024, the Parties executed the Joint Stipulation of Class Action and PAGA
11 Settlement (“Settlement” or “Settlement Agreement”). (*Id.*, ¶ 13). On August 19, 2024, Plaintiff filed
12 a Motion for Preliminary Approval of Class Action and PAGA Settlement (“Motion for Preliminary
13 Approval”) and supporting documents. (*Id.*, ¶ 14 & Ex. 2). On September 12, 2024, the Court entered
14 the Order Granting Preliminary Approval of Class Action and PAGA Settlement (“Preliminary
15 Approval Order”), thereby preliminarily approving the terms of the Settlement Agreement, the Notice
16 of Class Action Settlement (“Class Notice”), and the proposed administration procedures and
17 associated deadlines. (*Id.*, ¶ 15 & Ex. 3).

18 Notice of the Settlement was timely provided to the class members. (Bench Decl., ¶ 7). No
19 class members objected, and only three requested exclusion from the Settlement. (*Id.*, ¶¶ 11-12).

20 This Motion for Final Approval follows.

21 **C. Summary of Key Settlement Terms**

22 The Parties agreed to settle the Class and PAGA claims at issue in the Action for a non-
23 reversionary Gross Settlement Amount of \$5,900,000.00, exclusive of employer-side payroll taxes.
24 (Settlement Agreement, ¶ 6(p); Genish Decl., ¶ 18). The Gross Settlement Amount includes: (1) Class
25 Counsel’s fees in the amount of one-third (1/3) of the Gross Settlement Amount, equaling
26 \$1,966,666.67; (2) Class Counsel’s actual litigation costs and expenses, in the amount of \$21,653.96;
27 (3) Settlement Administration Costs in the amount \$35,000.00; (4) Enhancement Payment in the
28 amount of \$7,500.00; and (5) a PAGA allocation of \$300,000.00 (\$75% to the LWDA and 25% to the

1 PAGA Employees). (Settlement Agreement, ¶¶ 6(p), 9-12; Genish Decl., ¶ 18). After the above
2 amounts are deducted from the Gross Settlement Amount, *the Settlement Class Members will share*
3 *in a Net Settlement Amount of approximately \$3,569,179.37, which is over 60% of the Gross*
4 *Settlement Amount.* (Settlement Agreement, ¶ 6(u); Genish Decl., ¶ 18).

5 The Settlement does not require Settlement Class Members to submit claims as a prerequisite
6 to receiving their *pro rata* share of the Net Settlement Amount (“Individual Settlement Share”) nor
7 does it require PAGA Employees to submit claims as a prerequisite to receiving their *pro rata* share
8 of twenty-five percent (25%) of the net PAGA Amount (“Individual PAGA Payment”). (Settlement
9 Agreement, ¶¶ 6(q), 6(s), 15-16; Genish Decl., ¶ 19). Individual Settlement Shares are calculated by
10 the Settlement Administrator by dividing the Net Settlement Amount by the Workweeks of all Class
11 Members to yield the “Estimated Workweek Value” and multiplying the result by each Class
12 Member’s individual Workweeks worked during the Class Period. (Settlement Agreement, ¶¶ 14;
13 Genish Decl., ¶ 19). Individual PAGA Payments are calculated by the Settlement Administrator by
14 dividing the amount of the PAGA Employees’ 25% share of PAGA Amount (\$75,000.00) by the total
15 number of PAGA Workweeks worked by all PAGA Employees during the PAGA Period and
16 multiplying the result by each PAGA Employee’s individual PAGA Workweeks worked during the
17 PAGA Period. (Settlement Agreement, ¶ 15; Genish Decl., ¶ 19).

18 Each Individual Settlement Share will be allocated as twenty percent (20%) wages, eighty
19 percent (80%) penalties, interest, and non-wage damages. (Settlement Agreement, ¶ 16; Genish Decl.,
20 ¶ 21). The portion allocated to wages (“Wage Portion”) will be reported on an IRS Form W-2 and the
21 portions allocated to interest and penalties (together, “Non-Wage Portion”) will be reported on an IRS
22 Form 1099 (if applicable) by the Settlement Administrator. (Settlement Agreement, ¶ 16; Genish
23 Decl., ¶ 21). The Settlement Administrator will withhold the employee’s share of taxes and
24 withholdings with respect to the Wage Portion of the Individual Settlement Shares, and issue checks
25 to Settlement Class Members for their net payment of their Individual Settlement Share. (Settlement
26 Agreement, ¶ 16; Genish Decl., ¶ 21). Defendant will separately pay any and all employer payroll
27 taxes owed on the Wage Portion of the Individual Settlement Shares. (Settlement Agreement, ¶ 16;
28 Genish Decl., ¶ 21). Each Individual PAGA Payment will be allocated as one hundred percent (100%)

1 penalties and will be reported on an IRS Form 1099 (if applicable) by the Settlement Administrator.
2 (Settlement Agreement, ¶ 16; Genish Decl., ¶ 21).

3 Each Individual Settlement Payment and Individual PAGA Payment check will be valid and
4 negotiable for one hundred and eighty (180) calendar days from the date the checks are issued, and
5 thereafter, shall be canceled. (Genish Decl., ¶ 22; Settlement Agreement, ¶ 34). Any funds associated
6 with such canceled checks will be distributed by the Settlement Administrator to the State of
7 California's Unclaimed Property Division in the name of the Settlement Class Member and/or PAGA
8 Employee at issue. (Genish Decl., ¶ 22; Settlement Agreement, ¶ 34).

9 Upon the full funding of the Gross Settlement Amount, Plaintiff and all Settlement Class
10 Members will be deemed to have fully, finally, and forever released, settled, compromised,
11 relinquished, and discharged the Released Parties of all Released Class Claims. Released Class
12 Claims" means any and all claims, debts, liabilities, demands, obligations, guarantees, costs, expenses,
13 attorneys' fees, damages, or causes of action which were alleged or which could have been alleged
14 based on the factual allegations in the Operative Complaint, arising during the Class Period, under any
15 federal, state, or local law, and shall specifically include claims for Defendant's alleged failure to pay
16 overtime and minimum wages, provide compliant meal and rest periods and associated premium
17 payments, provide accurate wage statements, timely pay wages upon termination, and reimburse
18 necessary business-related expenses in violation of California Labor Code Sections 201, 202, 203,
19 226(a), 226.7, 510, 512, 1194, 1197, 1197.1, 1198, 2800, and 2802, and the applicable Industrial
20 Welfare Commission Wage Order and California Business and Professions Code sections 17200, et
21 seq. (collectively, "Released Class Claims"). (Settlement Agreement, ¶¶ 6(ee) & 35).

22 Upon the full funding of the Gross Settlement Amount, Plaintiff, the State of California with
23 respect to all PAGA Employees, and all PAGA Employees will be deemed to have fully, finally, and
24 forever released, settled, compromised, relinquished, and discharged the Released Parties of all
25 Released PAGA Claims. "Released PAGA Claims" means any and all claims arising from any of the
26 factual allegations in the PAGA Letter, arising during the PAGA Period, for civil penalties under the
27 Private Attorneys General Act of 2004, California Labor Code Sections 2698 et seq., including all
28 claims for attorneys' fees and costs related thereto, for Defendant's alleged failure to pay overtime

1 and minimum wages, provide compliant meal and rest periods and associated premium payments,
2 timely pay wages during employment and upon termination, provide complaint wage statements,
3 maintain complete and accurate payroll records, and reimburse necessary business-related expenses
4 in violation of California Labor Code Sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 1174(d),
5 1194, 1197, 1197.1, 1198, 2800, and 2802, and the applicable Industrial Welfare Commission Wage
6 Order. (Settlement Agreement, ¶¶ 6(ff) & 36).

7 Upon the full funding of the Gross Settlement Amount, Plaintiff, individually and on his own
8 behalf, will be deemed to have fully waived all claims against the Released Parties. (Settlement
9 Agreement, ¶¶ 37).

10 The “Released Parties” means Defendant and its current and former officers, directors,
11 members, insurers, shareholders, subsidiaries, affiliates, predecessors, successors, and assigns. (*Id.*, ¶
12 6(gg)).

13 **D. The Settlement Administration Process**

14 ILYM Group, Inc. has taken all necessary steps to effectuate the notice and settlement
15 administration process, as set forth in the Preliminary Approval Order.

16 On October 2, 2024, ILYM Group, Inc. received the Court approved language for the Class
17 Notice from Class Counsel. (Bench Decl., ¶ 4).

18 On October 8, 2024, ILYM Group, Inc. received the class data file from Defendant’s counsel,
19 which contained the full name, Social Security number, last known mailing address, number of
20 Workweeks during the Class Period, and number of Workweeks during the PAGA Period
21 (collectively, “Class Data”). (*Id.*, ¶ 5). The Class Data was uploaded to ILYM Group Inc.’s database
22 and checked for duplicates and other possible discrepancies. (*Ibid.*). The Class Data contained 6,029
23 individuals identified as Class Members who worked 191,071 Workweeks during the Class Period
24 and 2,689 individuals identified as PAGA Members who worked 57,816 PAGA Workweeks during
25 the PAGA Period. (*Ibid.*).

26 Seventy-six (76) of the records provided in the Class List were missing a valid mailing address
27 and no address was found. (*Id.*, ¶ 6). As part of the preparation for mailing, all **6,209** names and
28 addresses contained in the Class Data were then processed against the National Change of Address

1 (“NCOA”) database, maintained by the United States Postal Service (“USPS”), for purposes of
2 updating and confirming the mailing addresses of the Class Members before mailing of the Class
3 Notice. (*Id.*, ¶ 6). The NCOA contains requested change of addresses filed with the USPS. (*Ibid*). To
4 the extent that an updated address was found in the NCOA database, the updated address was used for
5 the mailing of the Class Notice. (*Ibid*). To the extent that no updated address was found in the NCOA
6 database, the original address provided by Defendant’s counsel was used for the mailing of the Class
7 Notice. (*Ibid*).

8 On October 22, 2024, the Class Notice was mailed, via U.S. First Class Mail, in English and
9 Spanish to 5,953 individuals out of the 6,029 contained in the Class Data. (*Id.*, ¶ 7). **476** Class Notices
10 were returned to ILYM Group, Inc. as undeliverable. (*Id.*, ¶ 9). ILYM Group, Inc. performed a
11 computerized skip trace on the **476** returned Class Notices that did not have a forwarding address in
12 an effort to obtain an updated address for the purpose of re-mailing the Class Notice. (*Ibid*). As a result
13 of this skip trace, **114** updated addresses were obtained and the Class Notice was promptly re-mailed
14 to those Class Members, via U.S First Class Mail. (*Ibid*). A total of 118 Class Notices were re-mailed.
15 (*Ibid*). Specifically, **114** were re-mailed as a result of ILYM Group Inc.’s skip tracing efforts and 4
16 were re-mailed as a result of a re-mail request by a Class Member. (*Ibid*). As of the date of this
17 declaration, a total of **362** Class Notices have been deemed undeliverable as no updated address was
18 found notwithstanding the skip tracing. (*Ibid*).

19 Class Members had forty-five (45) calendar days after the Settlement Administrator mailed the
20 Class Notices to submit a Request for Exclusion, Notice of Objection, and/or Workweeks Dispute
21 (“Response Deadline”). (Settlement Agreement, ¶ 6(ii)). The Response Deadline was December 6,
22 2024. (Bench Decl., ¶¶ 11-13). The Settlement Administrator did not receive any Notice of Objections
23 and/or Workweeks Disputes. (*Ibid*). The Settlement Administrator received only three Requests for
24 Exclusion from the following Class Members: Filip Jordanoski, Rinora Fazliu, and Natalia Chuda
25 (*Ibid*).

26 The estimated average gross Individual Settlement Share is **\$592.30**, the estimated highest
27 gross Individual Settlement Share is **\$4,895.43**, and the estimated lowest gross Individual Settlement
28 Share is **\$18.68**; the estimated average Individual PAGA Payment is **\$27.89**, the estimated highest

Individual PAGA Payment is \$73.94, and the estimated lowest Individual PAGA Payment is \$1.30. (*Id.*, ¶¶ 16-17).

E. Compliance With Procedural Requirements of PAGA

On August 19, 2024, Class Counsel submitted a copy of the Settlement Agreement to the LWDA through its online submission portal in compliance with California Labor Code § 2699(1)(2). (Genish Decl., ¶ 23). The LWDA has not objected to or otherwise responded to the submissions. (*Ibid.*).

III. THIS COURT SHOULD ISSUE FINAL APPROVAL OF THE SETTLEMENT

A. The Legal Standard for Final Approval

Before granting final approval of a class action settlement, the Court must review the settlement for fairness. (Cal. Rules of Court, rule 3.769(g); *Dunk v. Ford Motor Co.* (1996) 48 Cal.App.4th 1794, 1801). A court must take into account relevant factors, including, for example, the strength of the plaintiff's case, the risk, expense, complexity and likely duration of further litigation, the amount offered in settlement, the extent of discovery completed and the stage of the proceedings, the experience and views of counsel, and the reaction of the class members to the proposed settlement. (*Wershba v. Apple Computer, Inc.* (2001) 91 Cal.App.4th 224, 244-45; *Dunk*, 48 Cal.App.4th at 1801 ["The list of factors is not exhaustive and should be tailored to each case"]; *Officers for Justice v. Civil Serv. Comm'n* (9th Cir. 1982) 688 F.2d 615, 625).

Considering such factors, a presumption of fairness exists where: (1) the settlement is reached through arm's-length bargaining; (2) investigation and discovery are sufficient to allow counsel and the court to act intelligently; (3) counsel is experienced in similar litigation; and (4) the percentage of objectors is small. (*Wershba*, 91 Cal.App.4th at 245; *Dunk*, 48 Cal.App.4th at 1802).

"The settlement or fairness hearing is not to be turned into a trial or rehearsal for trial on the merits. [The trial court is not] to reach any ultimate conclusions on the contested issues of fact and law which underlie the merits of the dispute, for it is the very uncertainty of outcome in litigation and avoidance of wasteful and expensive litigation that induce consensual settlements." (*Officers for Justice, supra*, 688 F.2d at 625).

B. This Court Previously Determined the Settlement Is Just, Fair and Reasonable

This Court previously determined that the pending settlement is just fair and reasonable based

1 on a detailed *Kullar* analysis, which has not been challenged by anyone since the Court’s approval.
2 (See Genish Decl., Exs. 2 & 3). Specifically, the Court noted: The Court finds that the settlement falls
3 within range of reasonableness and is presumptively valid; appears to be product of serious, informed
4 and non-collusive negotiations; and has no obvious deficiencies. (*Id.*, Ex. 3). Nothing has changed to
5 warrant revision of that finding since its issuance months ago.

6 **C. The Settlement Is the Result of Arms-Length Negotiations**

7 California courts recognize that “a presumption of fairness exists where . . . [a] settlement is
8 reached through arm’s-length bargaining.” (*Wershba*, 91 Cal.App.4th at 245; see also *Clark v. Am.*
9 *Residential Servs. LLC*, 175 Cal.App.4th 785, 799 (2009)). Here, the Parties’ settlement negotiations
10 were at all times made at arm’s-length and were adversarial. (Genish Decl., ¶ 24). The Parties engaged
11 in extensive informal discovery prior to mediation. (*Id.*, ¶ 25). Following mediation, the mediator
12 issued a mediator’s proposal and gave the parties three days to consider its terms. (*Id.*, ¶ 10). After
13 much consideration, both parties ultimately accepted the proposal. (*Id.*, ¶ 10).

14 **D. The Parties Undertook Extensive Informal Discovery**

15 Courts typically assess the status of discovery in determining whether a class action settlement
16 agreement is fair, reasonable, and adequate. (*Dunk*, 48 Cal.App.4th at 1801). Prior to mediation,
17 Defendant produced putative class members’ time and pay data, as well as Defendant’s employee
18 handbook, relevant wage and hour policies, and information to determine the total number of putative
19 class members, the number of current versus former employees, the total workweeks worked by the
20 putative class members, and the average rate of pay for the putative class members. (Genish Decl., ¶
21 25). This allowed Plaintiff’s counsel to conduct an informed assessment and analysis of the strengths
22 and weaknesses of the claims and the potential class-wide damages. (*Ibid*). Plaintiff’s investigation
23 was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.*
24 (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116,
25 129-130 (“Dunk/Kullar”).

26 Based on the information exchanged, the Parties extensively researched and briefed issues
27 regarding class certification and liability and provided their analyses to the mediator who helped the
28 Parties debate the strengths and weakness of their respective positions. (Genish Decl., ¶ 27). At all

1 times, Plaintiff was willing to and prepared to litigate this matter through class certification and trial
2 if the Parties had been unable to reach a favorable resolution. (Ibid).

3 **E. Settlement Negotiations Were Undertaken by Experienced Counsel**

4 Additionally, settlement negotiations were conducted by highly capable and experienced
5 counsel. (Ibid). Class Counsel are respected members of the California State Bar with strong records
6 of vigorous and effective advocacy and are experienced in handling complex wage and hour class
7 action litigation. (Genish Decl., ¶ 35; Gold Decl., ¶¶ 3-10). Accordingly, Class Counsel had sufficient
8 experience to act intelligently in negotiating the Settlement.

9 **F. The Class Received the Best Practicable Notice and No Objections Were Received**

10 California law vests the Court with broad discretion in fashioning an appropriate notice
11 program. (See California Civil Code § 1781; *Cartt v. Superior Court* (1975) 50 Cal.App.3d 960, 973-
12 74). To protect the rights of absent class members, the parties must provide class members with the
13 best notice practicable of a potential class action settlement. (*Phillips Petroleum Co. v. Shutts* (1985)
14 472 U.S. 797, 811-12; *Eisen v. Carlisle & Jacquelin* (1974) 417 U.S. 156, 174-76 [individual notice
15 must be sent to all class members who can be identified through reasonable efforts]; *Mullane v. Central*
16 *Hanover Bank & Garretson Company* (1950) 339 U.S. 306, 314 [best practicable notice is that which
17 is "reasonably calculated, under all the circumstances, to apprise interested parties of the pendency of
18 the action and afford them an opportunity to present their objections"])). The content and method of
19 the notice should be designed to apprise the class members of the terms of the proposed settlement
20 and of the class members' rights regarding the settlement. (See *Mullane, supra*, 339 U.S. at 314;
21 *Philadelphia Housing Authority v. American Radiator & Standard Sanitary Corp.* (E.D. Pa. 1970) 323
22 F. Supp. 364, 378).

23 The Class Notice approved by the Court met these requirements: it identified the Parties and
24 described the Action, the Class, the Gross Settlement Amount, the proposed method for distribution
25 of the Gross Settlement Amount, the amounts proposed to be paid as the Enhancement Payment to
26 Plaintiff, the Settlement Administration Costs to the Settlement Administrator, and the Attorneys' Fees
27 and Costs to Class Counsel. (Genish Decl., ¶ 40; see also Bench Decl., Ex. A thereto). The Class
28 Notice described the proposed Settlement with enough specificity to allow each Class Member to

1 make an informed choice whether to accept and participate in it. (Ibid). It also explained how and
2 when Class Members may object to or opt out of the Class Settlement. (Ibid). Finally, the Class Notice
3 provided the date for the hearing on final approval of the Settlement and informed Class Members
4 how to obtain additional information about the Settlement. (Ibid).

5 ***Critically, not a single class member objected to the Settlement.*** (Bench Decl., ¶ 12).

6 **VI. THE REQUESTED ATTORNEYS' FEES ARE REASONABLE AND SHOULD BE**
7 **APPROVED**

8 **A. The “Common Fund Doctrine” Is the Preferred Method for Determining Fees**

9 Courts have long recognized the “common fund” or “common benefit” doctrine, under which
10 attorneys who create a common fund or benefit for a group of persons may be awarded their fees and
11 costs to be paid out of the fund. (*See Serrano v. Priest* (“*Serrano III*”) (1977) 20 Cal.3d 25, 34, quoting
12 *D’Amico v. Board of Medical Examiners* (1974) 11 Cal.3d 1; *Glendale City Employees’ Association*
13 *v. City of Glendale* (1975) 15 Cal.3d 328, 341 fn.19; *Quinn v. State of California* (1995) 15 Cal.3d 162,
14 16 7; *see also Boeing Co. v. Van Gernert* (1980) 444 U.S. 472,478; *Mills v. Electric Auto-Lite Co.*
15 (1970) 396 U.S. 375, 391-392).

16 The California Supreme Court has held that, “when a number of persons are entitled in
17 common to a specific fund, and an action brought by a plaintiff or plaintiffs for the benefit of all results
18 in the creation or preservation of that fund, such plaintiff or plaintiffs may be awarded attorneys’ fees
19 out of the fund.” (*Serrano III, supra*, 20 Cal.3d at 34, quoting *D’Amico*, 11 Cal.3d 1; *see also Boeing,*
20 *supra*, 444 U.S. at 478 (“[A] lawyer who recovers a common fund for the benefit of persons other than
21 himself or his client is entitled to a reasonable attorney’s fee from the fund as a whole.”); *Mills, supra*,
22 396 U.S. at 391-392 (United States Supreme Court endorsing the common fund approach in class
23 actions)). California Practice Guide: Civil Trials and Evidence (The Rutter Group) at § 17:172.3
24 explains the common fund doctrine as follows:

25 Where the lawsuit results in the recovery of a fund or property benefiting
26 others as well as plaintiff (e.g., a class action), the court has inherent
27 equitable power to order plaintiffs attorney fees paid out of the common
28 fund or property [citations]. Such fee spreading assures that all of those
benefited by the litigation pay their fair share of obtaining the recovery.

The percentage-of-the-fund approach is the preferred method of awarding fees in traditional

1 common fund cases, such as this case. Where the settlement amount is a “certain or easily calculable sum
2 of money,” use of the percentage-of-the-fund method is appropriate. (*Serrano III*, 20 Cal. 3d at 35).

3 In *Laffitte v. Robert Half Int’l Inc.* (2016) 1 Cal.5th 480, a wage and hour class action wherein
4 class counsel obtained a \$19 million non-reversionary settlement on behalf of the class, the California
5 Supreme Court approved the use of the percentage of fund or common fund method to award one-
6 third of the settlement amount or \$6,333,333.33 to class counsel for attorneys’ fees. The Court stated:

7 “Whatever doubts may have been created by *Serrano III*, supra, 20 Cal.3d 25, [], or the
8 Court of Appeal cases that followed, we clarify today that use of the percentage method
9 to calculate a fee in a common fund case, where the award serves to spread the attorney
10 fee among all the beneficiaries of the fund, does not in itself constitute an abuse of
11 discretion. We join the overwhelming majority of federal and state courts in holding
12 that when class action litigation established a monetary fund for the benefit of the class
13 members, and the trial court in its equitable powers awards class counsel a fee out of
14 that fund, the court may determine the amount of a reasonable fee by choosing an
15 appropriate percentage of the fund created. The recognized advantages of the percentage
16 method - including relative ease of calculation, alignment of incentives between counsel
17 and the class, a better approximation of market conditions in a contingency case, and
18 the encouragement it provides counsel to seek an early settlement and avoid
19 unnecessarily prolonging the litigation [] convince us the percentage method is a
20 valuable tool that should not be denied our trial courts.”

21 (*Laffitte*, 1 Cal.5th at 503).

22 In *Quinn v. State of California* (1995) 15 Cal.3d 162, 167, the California Supreme Court stated:
23 “[O]ne who expends attorneys’ fees in winning a suit which creates a fund from which others derive
24 benefits may require those passive beneficiaries to bear a fair share of the litigation costs.” Similarly,
25 in *City and County of San Francisco v. Sweet* (1995) 12 Cal.4th 105, 110-111, the California Supreme
26 Court recognized that the common benefit doctrine has been applied “consistently in California when
27 an action brought by one party creates a fund in which other persons are entitled to share.”

28 Numerous appellate courts are in accord. (*See e.g., Knoff v. City and County of San Francisco*
(1969) 1 Cal.App.3d 184, 203-204 (court upheld a “contingent percentage” award of attorneys’ fees
in a representative action as the proper exercise of the court’s broad equitable powers); *Rider v. County*
of San Diego (1992) 1 I Cal.App.4th 1410, 1423 (attorneys’ fees and expenses properly awarded from
common benefit composed of illegally imposed sales and use tax); *Bank of America v. Cory* (1985)
164 Cal.App.3d 66, 89-92 (fees awarded from common benefit created by action compelling state to
claim dormant bank accounts); *Parker v. Los Angeles* (1974) 44 Cal.App.3d 556, 567-568 (court

upheld fee award equal to one-third of the damages to owners of residential property in an inverse condemnation action)).

The Supreme Court noted that several courts have expressed frustration with the alternative “lodestar” approach for deciding fee awards, which usually involves wading through voluminous and often indecipherable time records. (*Laffitte*, 1 Cal.5th at 503; see *Lealao v. Beneficial California, Inc.* (2000) 82 Cal.App.4th 19, 31 n.5 citing *In re Activision Sec. Litig.* (N.D. Cal 1989) 723 F. Supp. 1373, 1375). The percentage approach is preferable to the lodestar because: (1) it aligns the interests of class counsel and absent class members; (2) it encourages efficient resolution of the litigation by providing an incentive for early, yet reasonable, settlement; and (3) it reduces the demands on judicial resources. (*In re Activision Sec. Litig.*, 723 F. Supp. at 1378-79). The Ninth Circuit now routinely uses the percentage of the common fund approach to determine the award of attorney’s fees. (*Lealao*, 82 Cal.App.4th at 30-31; see e.g., *In re Pac. Enters. Sec. Litig.* (9th Cir. 1995) 47 F.3d 373, 378-79 (approving attorney’s fee of 33%)).

B. A One-Third (1/3) Common Fund Fee Award is Proper Here

Fee awards of one third of the Gross Settlement Amount are reasonable and commonplace in California courts. See e.g. *Laffitte v. Robert Half Internat. Inc.*, 1 Cal. 5th 480, 506 (2016) (California Supreme Court upholding 1/3 fees award on \$19 million settlement); *Consumer Priv. Cases*, 175 Cal. App. 4th 545, 558, 96 Cal. Rptr. 3d 127, 137 (2009) (“Empirical studies show that, regardless whether the percentage method or the lodestar method is used, fee awards in class actions average around one-third of the recovery.”); *Chavez v. Netflix, Inc.*, 162 Cal.App.4th 43, 66, fn. 11 (2008); *In re Activision Sec. Litigation*, 723 F.Supp. 1373, 1378 (N.D.Cal. 1989) (“As documented by the lengthy list of cases below, this court finds that in most recent cases the benchmark is closer to 30%.”).

California “courts often consider the following factors when determining the benchmark percentage to be applied: (1) the result obtained for the class; (2) the effort expended by counsel; (3) counsel's experience; (4) counsel's skill; (5) the complexity of the issues; (6) the risks of non-payment assumed by counsel; (7) the reaction of the class; and (8) comparison with counsel's lodestar.” *Spann v. J.C. Penney Corp.*, 211 F. Supp. 3d 1244, 1263 (C.D. Cal. 2016) (citing *Craft v. Cnty. of San*

1 *Bernardino*, 624 F.Supp.2d 1113, 1116–17 (S.D.Cal.2008); *Laffitte v. Robert Half Internat. Inc.*, 1
2 Cal. 5th 480, 504 (2016)).

3 Here, each of these factors support an award of the requested attorneys’ fees.

4 **1. The Result Obtained for The Class**

5 The very strong results achieved by Class Counsel support its request for one third of the
6 common fund in attorneys’ fees. As of the date of this Motion, Settlement Class Members will be paid,
7 on average, approximately \$592.40 each, which is intended to compensate them for the alleged wage
8 and hour violations they suffered during their employment. (Genish Decl., ¶ 20). This is a significant
9 benefit for the Settlement Class Members here as it represents a recovery for highly disputed claims.
10 Equally important is the fact that the State of California will receive \$225,000.00 for enforcement of
11 labor laws and education of employers. (*Id.*, ¶ 38).

12 Furthermore, the efficiency with which this litigation was conducted and resolved should be
13 rewarded. After preparing and investigating the case prior to filing the Action, Class Counsel litigated
14 and then resolved the case without the extensive delays that plague most class action lawsuits. The
15 Class Members will directly benefit from the prompt and fair resolution of their claims, as they will
16 receive a significant monetary award in a relatively short order, as opposed to waiting potentially years
17 to recover some undetermined amount if they succeed at trial, which is an uncertainty in itself.

18 **2. Counsel's Experience, Skill and Effort**

19 Class Counsel has substantial experience in wage-and-hour and other class action litigation,
20 including litigation involving the legal issues in this matter. (Gold Decl., ¶¶ 3-10; Genish Decl., ¶ 35).
21 Class Counsel’s skill in developing a factual and legal record was essential to achieving the Settlement.
22 Through its skill and reputation, Class Counsel was able to obtain a settlement that provides an
23 outstanding result for Class Members. (See generally Gold Decl.).

24 **3. The Complexity of The Issues**

25 Class action wage and hour and PAGA claims are notoriously specialized and complicated
26 areas of law. (Gold Decl., ¶ 15; *see also* Genish Decl., ¶ 27). This case was no exception. *See id.* This
27 factor therefore weighs in favor of the fees sought.
28

1 **4. The Risks of Non-Payment Assumed by Counsel**

2 From the outset of the Action to the present, prosecution of this matter has involved significant
3 financial risk for Class Counsel. Class Counsel undertook this matter solely on a contingency fee basis,
4 with no guarantee of recovery, and fronted all costs necessary for its prosecution. (Gold Decl., ¶ 7).
5 The risks of this matter are apparent in that class certification would likely have been a hard-fought
6 issue, and even if class certification were granted over Defendant’s opposition, there was no assurance
7 that Plaintiff would prevail on the inevitable motion for decertification, at trial, and/or on any
8 subsequent appeal(s) regarding the same. (Genish Decl., ¶¶ 31). Thus, Class Counsel assumed a
9 significant risk in accepting this matter on a contingency fee basis. *See id.*

10 **5. The Reaction of The Class**

11 Class Counsel’s intention to request the Court’s approval for payment of attorneys’ fees in the
12 amount of one third of the Gross Settlement Amount totaling \$1,966,666.67 was clearly disclosed to
13 Class Members in the Court-approved Class Notice. (Genish Decl., ¶ 40; *see also* Bench Decl., ¶ 7).
14 As of the filing of this Motion, there has not been a single objection to the request for attorneys’ fees.
15 (Bench Decl., ¶ 12). Based on this, it is fair to conclude that the Class believes that such fees are proper
16 in light of the timely and strong results achieved here, further supporting the amount of Plaintiff’s
17 counsel’s request for attorneys’ fees. *See id.*

18 **C. The Lodestar Cross-Check Confirms that the Requested Fees are Reasonable**

19 It is often appropriate to “cross-check” the percentage of the common fund fee determination
20 against the lodestar amount. *See e.g. Consumer Priv. Cases*, 175 Cal. App. 4th 545, 557–58 (2009).
21 “Regardless of whether attorneys’ fees are determined using the lodestar method or awarded based on
22 a “percentage-of-the-benefit” analysis under the common fund doctrine, ‘the ultimate goal ... is the
23 award of a “reasonable” fee to compensate counsel for their efforts, irrespective of the method of
24 calculation.’” *Id.* (citing *Apple Computer, Inc. v. Superior Court*, 126 Cal.App.4th 1253, 1270 (2005)).
25 “It is not an abuse of discretion to choose one method over another as long as the method chosen is
26 applied consistently using percentage figures that accurately reflect the marketplace.” *Id.* (citing
27 *Chavez v. Netflix, Inc.*, 162 Cal.App.4th 43, 65–66 (2008)).
28

1 Here, Class Counsel estimates that they spent approximately 466.10 hours litigating these
2 claims to date.² (Gold Decl., ¶ 13). Class Counsel expects to spend another 35 hours in connection
3 with the final approval process (including finalizing the MFAS and supporting documents, preparing
4 for and attending the Final Approval Hearing, and managing the Settlement through its conclusion,
5 including anticipated communications with defense counsel, the Settlement Administrator, client, and
6 Class Members). (*Id.*, ¶ 14). In addition to time spent during litigation, reasonable hours also include
7 the time spent before the Action was filed, including time spent interviewing the client, investigating
8 the facts and the law, preparing the initial pleadings, as well as litigating the case. (*Webb v. Board of*
9 *Educ.* (1985) 471 U.S. 234). Further, the fee award should include fees incurred to establish and defend
10 the attorneys' fee claim. (*Serrano v. Priest* (1982) 32 Cal .3d 621, 639 (“*Serrano IV*”). Based on the
11 rates of Class Counsel, the total fees for time worked to date are estimated to be **\$404,841**. (Gold Decl.,
12 ¶ 13). By the conclusion of this matter, the total fees for time worked are estimated to be approximately
13 **\$435,203.50**. (*Id.*, ¶ 14).

14 When the lodestar methodology or cross-check is applied, the Court should adjust the fee
15 award by a multiplier to make an appropriate fee award. (*Serrano III, supra*, 20 Cal.3d at 48). In
16 applying the multiplier, *Newberg on Class Actions* states that “[m]ultiples ranging from one to four
17 frequently are awarded in common fund cases when the lodestar method is applied. A large common
18 fund award may warrant an even larger multiplier.” (4 *Newberg on Class Actions* 4th (4th ed. 2002) §
19 14.6). If the class members paid the fees that the market would bear, they would pay a fee of anywhere
20 from one-third to forty-five percent of any recovery. Since this is the market rate, the lodestar
21 calculation should be enhanced to reflect what the class members would pay on the open market.
22 (*Lealao, supra*, 82 Cal.App.4th at 47-48).

23 In *Lealao*, the court held that trial courts should award lodestar fees by examining the
24

25 ² In *Martino v. Denevi* (1986) 182 Cal.App.3d 553, 559, the court addressed the issue of what evidence
26 is required in California to support a fee application. The court held: “Testimony of an attorney as to
27 the number of hours worked on a particular case is sufficient evidence to support an award of attorney
28 fees, even in the absence of detailed time records.” *Id.* There is no need to attach the voluminous
invoices prepared in a case as a basis for an award of fees and costs. *Id.* Through Class Counsel's
declarations in support of this application, however, Plaintiff presents a thorough breakdown of the
hours spent and costs incurred in prosecuting this class action. Pursuant to *Martino, supra*, this
presentation is sufficient to support the amount requested.

1 percentage-of-the-benefit and adjusting the lodestar calculation accordingly. (*Id.* at 49 & 53). The
2 court indicated that this is an upward adjustment and should be akin to a contingency fee recovery;
3 the court stated, “[a]n adjustment reflecting the amount of the class recovery is not significantly
4 different from an adjustment reflecting a percentage of that amount; and California courts have
5 evaluated a lodestar as a percentage of the benefit.” (*Id.* at 46). The *Lealao* method appears particularly
6 appropriate because class actions generally are contingency fee cases for plaintiffs - and the class
7 action clients do not expect to pay an hourly fee.

8 The rationale of *Lealao* comports with the purpose of the multiplier. The multiplier is
9 “primarily to compensate the attorney for the prevailing party at a rate reflecting the risk of
10 nonpayment in contingency cases.” (*Ketchum v. Moses* (2001) 24 Cal.4th 1122, 1138). The *Lealao*
11 court reasoned:

12 Given the unique reliance of our legal system on private litigants to enforce
13 substantive provisions of law through class and derivative actions, attorneys
14 providing the essential enforcement services must be provided incentives
15 roughly comparable to those negotiated in the private bargaining that takes
16 place in the legal marketplace, as it will otherwise be economic for
defendants to increase injurious behavior. It has therefore been urged (most
persistently by Judge Richard Posner) that in defining a reasonable fee in
such representative actions, the law should mimic the market.

17 In the class action context, that would mean attempting to award the fee that
18 informed private bargaining, if it were truly possible, might have reached.
19 The simplest way for the law to duplicate the bargain that informed parties
20 would reach if agency costs were low is to look to fee award levels in actions
brought by sophisticated private parties under the same or comparable
statutes.

21 (*Lealao*, 82 Cal.App.4th at 47-48 (internal citations and quotations omitted)). The court added:

22 [T]rial judges need the flexibility *Serrano III* provides, as it enables them to
23 relate fee awards to the economic realities that determine the efficacy of the
private enforcement contemplated by our civil justice system.

24 Accordingly, we hold that, in cases in which the value of the class recovery
25 can be monetized with a reasonable degree of certainty and it is not otherwise
26 inappropriate, a trial court has discretion to adjust the basic lodestar through
27 the application of a positive or negative multiplier where necessary to ensure
that the fee awarded is within the range of fees freely negotiated in the legal
marketplace in comparable litigation.

28 (*Id.* at 49-50).

1 In looking at similar cases, including those set forth above, Class Counsel’s requested fee
2 comports to the market. Based on the reasonable hourly rates suggested by Class Counsel and the
3 collective hours worked in this matter, the requested fee award would represent a multiplier of the
4 current total fee lodestar. In this regard, Class Counsel’s fee request is reasonable. (*See e.g. Buccellato*
5 *v. At&T Operations, Inc.*, (N.D.Cal. June 30, 2011, No. C10-00463-LHK) 2011 U.S.Dist.LEXIS
6 85699, at *4) (finding a 4.3 multiplier reasonable); *Steiner v. Am. Broad. Co.*, 248 Fed. Appx. 780,
7 783 (9th Cir. 2007) (affirming award with multiplier of 6.85); *Uschold v. NSMG Shared Servs., LLC*,
8 (N.D.Cal. June 5, 2020, No. 18-cv-01039-JSC) 2020 U.S.Dist.LEXIS 99258, at *49) (finding a 4.0
9 multiplier reasonable); *In re NCAA Ath. Grant-In-Aid Cap Antitrust Litig.*, (N.D.Cal. Dec. 6, 2017,
10 No. 4:14-md-2541-CW) 2017 U.S.Dist.LEXIS 201108, at *22) (finding a 3.66 multiplier reasonable)).

11 **VII. PLAINTIFF’S COST REQUEST IS REASONABLE**

12 Class Counsel seeks reimbursement of a total amount of \$21,653.96 in costs and expenses in
13 this matter, which includes reasonable future costs for filing the Motion. (Genish Decl., ¶ 33 & Ex. 4).
14 All costs and expenses are documented in detail and were reasonably incurred in prosecution of this
15 matter. The Court should therefore approve an allocation of the requested amount from the Settlement.

16 **VIII. THE REQUESTED ENHANCEMENT PAYMENT IS REASONABLE**

17 The named Plaintiff should be awarded an Enhancement Payment in the amount of \$7,500.00
18 for his services as the Class Representative and the risks in connection with that role. (Genish Decl.,
19 ¶ 36). Enhancement awards in wage and hour cases typically range from \$5,000.00 to \$20,000.00,
20 although some awards are higher. (*Ibid*). Often, multiple class representatives receive awards in the
21 above range. (*See e.g., Munoz v. BCI Coca-Cola Bottling Co. of Los Angeles* (2010) 186 Cal.App.4th
22 399, 412 [approving an enhancement request of \$10,000.00 per named plaintiff in a 188 member
23 class]; *Cook v. Niedert*, 142 F.3d 1004, 1016 (7th Cir. 1998); *Thornton v. East Texas Motor Freight*,
24 497 F.2d 416, 420 (6th Cir. 1974) [“We also think there is something to be said for rewarding those
25 drivers who protect and help to bring rights to a group of employees who have been the victims of
26 discrimination.”]). Here, the requested Class Representative Service Payment is modest, reasonable,
27 and should be approved.

28 Plaintiff’s actions establish that: (1) he sought to protect the interests of the Class above his

1 own personal interests; (2) the Settlement Class Members will benefit from his actions by receiving a
2 payment without having to do anything; and (3) Plaintiff has put forth a significant amount of time
3 and effort pursuing the litigation and seeing it through to resolution. (*See, generally, Sanford Decl.;*
4 *see also Clark v. American Residential Services LLC* (2009) 175 Cal.App.4th 785, 804 (discussing the
5 criteria for determining class representative enhancement awards in concluding that a requested award
6 of \$25,000 for two class representatives was too high)).

7 The requested award for Plaintiff is also reasonable given the financial and personal risk he
8 took in commencing the Action, and in light of the benefits that his actions have conferred upon the
9 Class. (Sanford Decl., ¶ 7; *See also Van Vranken v. Atl. Richfield Co.* (N.D.Cal. 1995) 901 F.Supp.
10 294, 299-300). Additionally, in considering a requested class representative enhancement award,
11 courts take into consideration a plaintiff's reasonable fear of retaliation. (*Staton v. Boeing Co.* (9th
12 Cir. 2003) 327 F.3d 938, 977). Here, it is easy to see that a potential future employer could expend
13 little effort to discover Plaintiff brought the lawsuit – and based thereon, decline to offer Plaintiff
14 employment.

15 In sum, Plaintiff has performed considerable services on behalf of the Class during the
16 litigation. (*See, generally, Sanford Decl.*). Class Counsel cannot understate the importance of the role
17 of an employee who is willing to search out an attorney and step forward to assume the risk of litigation
18 and retaliation in order to represent a class and put the interests of the class before their own interests.
19 Plaintiff has understood that this is a class action where he is serving as the Class Representative and
20 must protect the Class Members' interests. (*Id.*, ¶ 10). Plaintiff was the catalyst to the benefit reached
21 for the Class Members and the State of California, and has actively represented the Class Members'
22 interests during the pendency of this matter and will continue to do through judgment. (*Ibid.*). Plaintiff
23 spent numerous hours participating in this matter by searching for an attorney, communicating with
24 his attorneys on numerous occasions, searching for and producing relevant documents related to his
25 employment, responding to his attorneys' inquiries, reviewing the settlement documents, and
26 approving the Settlement on behalf of all Class Members. (*See Sanford Decl., generally*).

27 In contrast, without having to take on any of the risk incurred by Plaintiff or time spent by
28 Plaintiff in litigating this matter, Settlement Class Members will automatically be issued a payment

1 for their claims. It appears that the Settlement Class Members recognize this enhancement was
2 justified because since the time the Class received notice of the requested Enhancement Payment, no
3 one has objected to the request. Thus, the Enhancement Payment to Plaintiff is warranted to
4 compensate him for his time and effort, the fear and stress associated with assuming the responsibility
5 of serving as the Class Representative, and the concrete risks he assumed as the Class Representative.

6 **IX. REQUESTED SETTLEMENT ADMINISTRATION COSTS ARE REASONABLE**

7 In Plaintiff's Motion for Preliminary Approval, Plaintiff requested, and the Court preliminarily
8 approved, Settlement Administration Costs not to exceed is \$35,000.00. (Genish Decl., ¶ 37). ILYM
9 Group, Inc. is the approved Settlement Administrator. (*Ibid*). Class counsel obtained competing bids,
10 and ILYM's bid was the cheapest of the three bids obtained. Moreover, ILYM Group, Inc. is an
11 experienced class administrator and has adequately performed the administration tasks required by the
12 Preliminary Approval Order. (*See* Bench Decl., ¶ 18 & Ex. B). Based thereon, the requested costs
13 should be approved.

14 **X. THE PROPOSED LWDA ALLOCATION IS REASONABLE**

15 Pursuant to California Labor Code Section 2699(1), the Superior Court shall review and
16 approve the settlement of penalties sought under that California Labor Code Section. (Cal. Lab. Code
17 § 2699(1)). For all of the reasons stated above, the Settlement is fair, reasonable, and adequate, and
18 should be approved. As part of the Settlement, Defendant agreed to pay \$300,000.00 to settle the
19 claims of the PAGA Employees brought pursuant to PAGA, of which \$225,000.00 (75% of the PAGA
20 Amount) will be paid to the LDWA for education and enforcement purposes, and the remaining
21 \$75,000 will go to the PAGA Employees. (Genish Decl., ¶ 38).

22 Courts routinely approve similar comparatively small PAGA allocation "in order to maximize
23 payments to class members." (*Magadia v. Wal-Mart Assocs.* (N.D. Cal. May 31, 2019, No. 17-CV-
24 00062-LHK) 2019 U.S. Dist. LEXIS 91732, *90-91, citing as examples *Ceja-Corona v. CVS Pharm.,*
25 *Inc.* (E.D. Cal. Jan. 14, 2015) 2015 U.S. Dist. LEXIS 5118, 2015 WL 222500, at *2-3 [preliminarily
26 approving \$10,000 in PAGA penalties out of a total settlement amount of \$900,000]; *Thio v. Genji,*
27 *LLC* (N.D. Cal. 2014) 14 F. Supp. 3d 1324, 1330 [preliminarily approving \$10,000 in PAGA penalties
28 out of a total settlement amount of \$1,250,000]; *Franco v. Ruiz Food Prods.* (E.D. Cal. Nov. 27, 2012)
2012 U.S. Dist. LEXIS 169057, 2012 WL 5941801, at *14 [granting final approval of \$10,000 in

1 PAGA penalties out of a total settlement amount of \$2,500,000]; *Garcia v. Gordon Trucking, Inc.*
2 (E.D. Cal. Oct. 31, 2012) 2012 U.S. Dist. LEXIS 160052, 2012 WL 5364575, at *3 [granting final
3 approval of \$10,000 in PAGA penalties out of a total settlement amount of \$3,700,000]; *Chu v. Wells*
4 *Fargo Invs., LLC* (N.D. Cal. Feb. 16, 2011) 2011 U.S. Dist. LEXIS 15821, 2011 WL 672645, at *1
5 [granting final approval of \$10,000 in PAGA penalties out of a total settlement amount of
6 \$6,900,000]).

7 Moreover, Plaintiff's counsel provided notice of the Settlement to the LWDA on August 19,
8 2024, and to date, the LWDA has not objected to or otherwise taken issue with its allocation. (Genish
9 Decl., ¶ 23).

10 The Parties' allocation of \$300,000 to Plaintiff's PAGA claim is therefore proper and
11 appropriate and should be approved by the Court.

12 **XI. CONCLUSION**

13 Plaintiff therefore respectfully requests that this Court grant Plaintiff's Motion for Final
14 Approval of Class Action and PAGA Settlement, Attorneys' Fees and Costs, Enhancement Payment,
15 and Settlement Administration Costs.

16
17
18 Respectfully submitted,

19 Dated: January 7, 2025

BLACKSTONE LAW, APC

20 By: 

21 Karen I. Gold
22 Sara Pezeshkpour
23 Marissa A. Mayhood

24 *Attorneys for Plaintiff TRAVIS SANFORD,*
25 *individually, and on behalf of other similarly*
26 *situated employees and aggrieved employees*
27 *pursuant to the California Private Attorneys*
28 *General Act*